THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI EDUARDO FALEIRO): (a) and (b) The prices of bulk drugs are fixed/revised by the Government on the recommendations of BICP. BICP conducts detailed cost-cum-technical studies of production, consumption of raw materials, utilities, batch process details, conversion cost etc. The spot verification of the data by the technical and cost accounting experts of BICP is also conducted during the factory visits. The price of Penicillin was last revised in November, 1992. BICP has completed cost-cum-technical study for revision of the prices of Penicillin G and for this study the data relating to the indigenous manufacturers has been studied by the BICP. The data relating to Torrent, Spic and J.K. plants would also be studied by the BICP after these plants go into commercial production.

Drug Industry to invest in Basic Research

3085. SHRI CHATURANAN MISHRA: Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) whether Government are working out a package of incentives to motivate the drug industry to invest in basic research rather than only in R&D in the new drug policy which is likely to be annunced soon;

(b) if so, the details thereof;

(c) whether it is a fact that only one company M/s HOECHST is doing basic research as against number of companies doing R&D activity;

(d) what steps Government are taking to encourage basic research in the country;

(e) what is the investment on basic research and R&D respectively; and

(f) whether it is a fact that M/s Ciba shelved the Basic Research due to lack of incentives from Government?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS & FERTILIZERS (SHRI EDUARDO FALERIO): (a) and (b) In addition to incentives already available for R&D work under the Drug Policy '86, consideration of ways and means to provide further incentives for R&D and to motivate drug industry to invest in basic research forms part of the Review of the Drug Policy '86.

(c) and (e). Details of R&D work, including basic research, undertaken by a company is dependent on its overall corporate policy from time to time and such details are not monitored by this Department.

(d) Yes, Sir. The Department of Science & Technology has identified Drug Technology Development as a thrust area for Research. An Expert Committee has been constituted by the Department of Science & Technology for R&D in the Drug Industry and the terms of reference of the Committee are:—

(i) to forge strong linkages between the Indian Drug Industry and academic institutions/national laboratories towards development of drug design;

(ii) to identify areas of drug research where project could be jointly undertaken by drug companies and academic institutions/national laboratories;

(iii) to support globally competitive technology development for crucial intermediates where India is a key player in the drugs;

(iv) to consider R&D projects jointly proposed by industry and academic institutions/national laboratories and recommend including the quantum of grants to be provided by the Government and industry. Such projects should be basically product and target oriented.

(v) to evolve appropriate mechanism for monitoring the R&D projects;

(vi) to suggest other measures required for promotion and development of drugs and pharmaceutical research and in particular the involvement of the industry in this endeavour.

(f) No, Sir.

Problems of Pharmaceutical Industry

3086. SHRI RAHASBIHARI BARIK: Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state: